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**STRATEGY OF THE FOOD INDUSTRY INNOVATIVE-INVESTMENT
DEVELOPMENT PROGRAM IN UKRAINE**

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Article presents the strategic bases for the formation of the innovative development of the food industry with the participation of foreign investments, which may be in conditions of market economy. Special attention is given to the choice of priority strategic objectives with consideration of the potential opportunities of development of agrarian sector of economy of Ukraine.

Keywords: *food industry, strategy development, innovation, investment, the national economy.*

Problem statement. Nowadays when Ukraine has market relations, one of the most important tasks for national economy is reevaluation towards innovative-investment development.

Thereby the most attractive brunches to involve investments are those, potential development of which is fundamentally able to change the economic situation in the country. Food industry is such a brunch, enterprises of which provide population with their needs. The food industry is one of the basic brunches, that's why, each country pays great attention for its economic position.

Analysis of recent research and publications. The problems of the innovative-investment development processes are described in great amount of native and foreign scientists' works, such as: Alexandrova V., Beltyukov Ye., Geyets V., Krupka M., Lapko O., Savchuk V., Seminozhenko V., Chervanov D., Ansoff I., Ilyenkova S., Fathutdinov R., Shumper J. and others. The questions of the innovative activity financing support were investigated by the following native scientists: O. Vasyurenko, I. Pasechnyk [1], S. Kravchenko [2], M. Krupka [3], S. Onyshko [4] and others. By the way, today, in spite of stated conceptual and methodological approach concerning innovative development model investigation, many questions about innovative reconstruction and mainly methodic of the innovative-investment industry development strategy have not been yet elaborated, which doesn't enable to satisfy industry enterprises needs.

Previously unsettled problem constituent. Food industry development foresees to form and fulfill innovative model involving scientific country potential. However innovative direction can't be developed without financial injections. Thus,

we can say, that today it is important to unite not only scientific and technical potential but also industrial and financial one.

The main purpose of the article. The object of the article is to investigate theoretic and methodological grounds of the food industry innovative-investment development strategy.

Main material. Besides high quality of the production, it is necessary to provide the prices for goods, correspondent to European level. Nowadays European Union is open for space trade, where Ukraine has all perspectives for the further activity. Ukraine has great potential of the agricultural sector, i.e. favorable geographical position, fertile lands, high qualitative specialists, personal water resources. That's why there is possibility not only to cooperate with European countries, but also the perspectives to reach leader position in production supply.

In general food industry has all possibilities and perspectives for development. The active innovative-investment activity of the native and foreign partners may help this process.

The innovative activity of industrial plants will assist not only the intensive development of the food industry but the whole Ukrainian economy. Customers' needs are constantly growing; the production variety is the main object of many enterprises. Achievements of the scientific and technological progress force the food industry development, but their introduction is possible under condition of the financial supply from investors.

Industry development realities allow to confirm, that scientific and technological progress and properly innovations have not yet become such growth factors, which would be dominant. More industry brunches are being developed on the old technological base that renders impossible to produce rival product, innovative development way fulfillment. Low level of financing in the scientific, technique, technology sphere, immaturity of the financial systems and market situations, few costs in the industrial plants put the brakes on the innovative development of industry in Ukraine. The practical experience of the economically developed countries shows that gradual growing of economy is possible while working out and introducing of the industry innovative-investment development strategy and moreover producing of foodstuff.

Priority development course of science and technique considers: energy effective and resource-saving technologies in industry and agricultural sector; environment protection and rational use of natural resources; new biotechnologies; new computer means and produce informatization technologies; new sources of the substance and materials resources.

According to the Federal State Statistics Service data [5], in January – September 2012 foreign investors invested \$4,3 billion of direct investments in

Ukrainian economy, that is 91,07% to the correspondent period in 2011, in January – September 2011 duly -138,52% to the appropriate period in 2010.

The amount of the paid in foreign investments (stock capital) in the Ukrainian economy from the investing start for the 1st October 2012 was \$52673,8 billion, that 5,2% greater than investments amount at the beginning of 2012, and counting on 1 person is \$1157,0.

Investments are directed into already developed spheres of the economic activity. 32,0 % of the whole direct investments into Ukraine are concentrated at the industrial plants, 29,8% - at the financial enterprises.

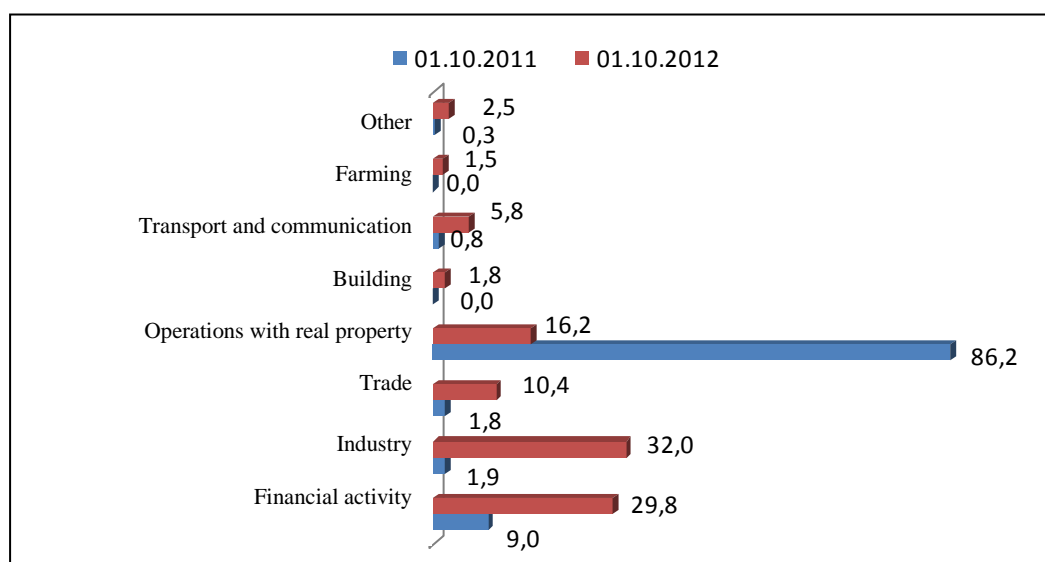


Fig. 1. Direct investments distribution in accordance with main types of economic activity

The nowadays situation in the food industry means that the investment resources structure is deformed and ineffective, and also is characterized by the preference of the own capital investment sources.

It is obviously in the conditions of the food industry plants perspective development, that investment management is not agreed with innovative processes in this sector. Absence of investment institutes, irregularity of the legal terrain complicate the investment process and provide incomplete use of the food industry plants resource potential.

The analysis experience demonstrates that under formed reserves savings of the investment decisions demand more care and rationalization of investment stream and processes, investment and innovative events coordination within brunch and separate plants. Therefore the absence of perspective plans concerning development and

priorities of the investment activity is the factor that decreases motivation to the long-term investing into the sector.

Stability and effectiveness of the innovative activity in Ukraine in the long-term period may be provided only through such terms, main of which are on the part of the state are: to provide GDP, overall production, input and rentability of its sector growth; to fix independence of the plants concerning innovative development problem solving, growing of its own costs, directed to innovations introduce into production; to reduce budget costs for innovative activity financing in general tendency to increase budget assignment for science and innovative activity; to grow the bank and nonbank crediting of innovative activity; to extend scales of innovative achievements through lowering of tax pressure etc.

Today the main task is to recreate domestic industrial sector by way of its structural rebuilding and great system production modernization in accordance with modern requirements of scientific and technological progress and post-industrial development. National economy structure has to come to developed countries standards.

Updated industry will give possibility to provide the development of other national economy sectors, including farming, transport, building and so on.

Thus, the strategic development courses of the food industry are:

- to renovate proportional development of the national economy, to provide the leading role of the industrial sector, full-scale development of the home market through supply home technique, technologies, raw materials, intermediate and final product;
- to intensify export potential, priority development of the native enterprises – exporters of the high level reduction product and producers of the import substitution production;
- to conduct fundamental produce modernization and development of the science-intensive brunches, intellectual and scientific-technical potential development;
- to form innovative production closed cycles in the basic national economy brunches;
- to increase the effectiveness and competitiveness of industry, particularly its state sector;
- home enterprises and organizations participation in international cooperation projects;
- to produce innovative production in the scientific-intensive brunches to confirm Ukrainian international image;
- diversification of the industry brunches, expand of the high quality final production nomenclature;

- to provide program management, informational sector development for industrial plants service;

- to introduce the constant monitoring of the consumer and investment production from home market and to develop plan to suggest home manufacturers at such markets;

- to improve the system of industry development state support, particularly on the bases of state-private partnership, oriented to grow technical level of the technological processes.

Under such conditions the oriented for end-consumer industry brunches modernization may be conducted by high rates and can provide fast payback of investments with the aim of further capital involving for long-term period for other brunches development.

Conclusions and directions of further researches. The problem of innovative activity development is very important for Ukraine, because the problem to grow production effectiveness is in each industrial structure, as the greatest part of them are formed by privatization process on the base of former state plants. One should mention that almost all plants are working with old equipment, and technologies, which are used in basic brunches, as those during fifties-sixties scientific and technical progress.

Perspective brunch development has to foresee beforehand the further improvement of its productive power distribution, complex development and specialization of the Ukrainian economic regions, the main sectors of which must be:

- 1) specialization of the separate economic regions on those food industry brunches development, which have the necessary conditions to form the effective material base;

- 2) to lead the level of some food industry brunches in economic regions to the scales which would provide the needs of regions in the correspondent foodstuff;

- 3) to optimize the food industry plants sizes in accordance with their types in economic regions due to market economy demands, new science, technique, production technologies achievements and progressive world experience.

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